

2/1/06

Housing Authority - County of Los Angeles

February 1, 2006

To: Each Supervisor

From: Carlos Jackson, Executive Director

SUBJECT: SECTION 8 PAYMENT STANDARDS

This is to provide you with information regarding the Housing Authority's increase in the Section 8 payment standards.

Effective February 1, 2006, the Housing Authority will increase the Section 8 payment standards, based on 110 percent of the current FMR, as follows:

Bedroom Size	0	1	2	3	4	5	6	7
Payment Standard	\$867	\$1,047	\$1,307	\$1,756	\$2,113	\$2,429	\$2,746	\$3,063

When the payment standards are increased, the Housing Authority's monthly subsidy on behalf of new Section 8 applicants and existing participants that move is effective immediately. This adjustment of the payment standard will benefit the voucher holder in finding available housing. The subsidy is also increased during the regularly scheduled annual reexamination for existing Section 8 participants staying in place.

The Housing Authority must adopt payment standards for the various bedroom sizes. These payment standards are set between 90 and 110 percent of the Fair Market Rent (FMR), which is determined by the U.S. Department of Housing and Urban Development (HUD). The Housing Authority's current payment standards are set at 90 percent of the FMR. Last year the Housing Authority was facing a funding shortfall and reduced the payment standards. The Housing Authority has not been able to plan accordingly because HUD did not finalize the 2006 calendar year funding formula until last week.

This year's funding allocation is favorable and the Housing Authority has determined that it can support and fund an increase in the payment standards, which will allow for an increase in rental assistance subsidy for many participants.

Should you have any questions, please contact me or Rebecca L. Craig, Assisted Housing Division Director at (562) 347-4663 extension 8611.

CJ:RLC:dt

Payment standard memo 013006

c: Each Deputy